

COMMONWEALTH OF MASSACHUSETTS

CITY OF LOWELL

VOTE

IN CITY COUNCIL

**ORDER,**

To Fund the Memorandum of Understanding (MOU) for IAFF Local 853.

**ORDERED,**


By the City Council of the City of Lowell, as follows:

That the amount of **Four Hundred Fifty Thousand and 00/100 (\$450,000.00)**  
**Dollars** be transferred:

**FROM:** Account # 01234151 511000 as described in "Attachment A"

**TO:** Account # 02204151 511000 as described in "Attachment A":

**ORDER RECOMMENDED AND INTRODUCED BY:**

  
Eileen M. Donoghue  
City Manager

## Transfer Form - Attachment "A"

[illegible]

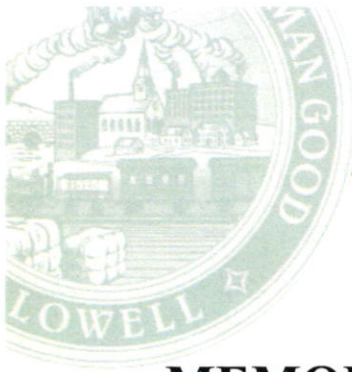
Reason for Transfer:

To fund MOU for IAFF Local 853

**Department Signature**

**Chief Financial Officer**


$$8/17/19$$



Conor Baldwin  
Chief Financial Officer

## MEMORANDUM

TO: Eileen M. Donoghue, City Manager

FROM: Conor Baldwin, Chief Financial Officer 

CC: Jeff Winward, Fire Chief

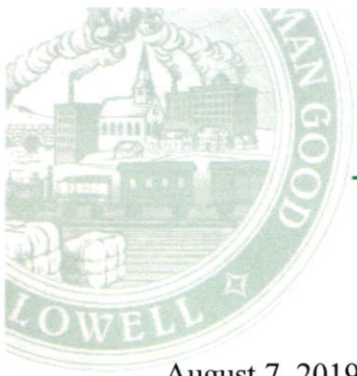
DATE: August 6, 2019

SUBJECT: Vote to transfer funds for Firefighter MOU

On the agenda for the August 13, 2019 City Council meeting will be approval of a memorandum of understanding (“MOU”) with the firefighters’ union. In the FY2020 operating budget, monies were appropriated into the City Manager’s reserve for wages account to fund any cost of living (“COLA”) increases for the remaining outstanding contracts once they were settled. The source of the appropriation in FY2020 comes from available appropriations which were budgeted last year for the same purpose, but were unspent. Rather than letting this unspent fall to the General Fund’s bottom line at “year-end” and become part of the free cash certification, the unspent balance was transferred into a multi-year salary stabilization fund and then appropriated as part of the FY2020 operating budget to mitigate the impact of these contracts on the city’s operation to be absorbed within the existing tax levy.

Below, I have included a summary of the impacted budgetary accounts. Please do not hesitate to let me know if there are any questions.

Account Name	Original Budget	Previous Transfers	Revised Budget	YTD Expenditures (Actual)	Encumbrances	Balance Before Transfer	Transfer	Balance After Transfer
City Manager Reserve - Wages	\$ 744,039	\$ -	\$ 744,039	\$ -	\$ -	\$ 744,039	\$ (450,000)	\$ 294,039
Fire Department - S&W Perm.	\$ 16,291,267	\$ -	\$ 16,291,267	\$ 1,485,180	\$ -	\$ 14,806,087	\$ 450,000	\$ 15,256,087



Eileen M. Donoghue  
City Manager

August 7, 2019

Mayor William Samaras  
And  
Members of the Lowell City Council

Dear Mayor Samaras and Members of the Lowell City Council,

I am hereby requesting that the City Council vote to transfer funds into the Salary & Wages budget in the Lowell Fire Department to cover retroactive salary payments associated with the settlement of the contract with the Firefighters' union. In preparation for negotiations with all unions last fiscal year, the Administration budgeted funds in the Manager's Reserve for Wages to cover any negotiated cost of living ("COLA") increases in the contracts. At the end of FY2019, a balance remained in the account and was brought forward into FY2020 for the remaining outstanding contracts.

Enclosed with this letter is a memorandum from the Chief Financial Officer which outlines the details of the transfer. Because this amount has been allocated within the existing FY2020 budget, it will add no additional burden to the tax levy. Please do not hesitate to let me know if there are any questions.

Sincerely,

Eileen Donoghue  
City Manager

Cc: Conor Baldwin, Chief Financial Officer  
Jeff Winward, Fire Chief  
Karen O'Beirne, Acting City Auditor